

REMARKS

Claims 1-12, 21, 22-24 and 37-38, as amended, and new claims 39 appear in this application for the Examiner's review and consideration. Claims 21, 23, 24, and 38 are currently withdrawn, but will be rejoined when claim 1 is allowed. Claims 1 and 37 have been amended to recite that the emission allowance and offset holding information is based on an emission reduction schedule established for the participant. Support for this amendment is found, for example, in the specification at paragraphs [0059] to [0061]. Claim 37 has also been amended to include a guarantee mechanism that ensures payment for exchange-cleared trades transacted using the trading platform, as supported by original claim 2 and the specification at paragraph [0042]. New claim 39 is added to cover a preferred embodiment of the invention and is supported by claim 38. No new matter has been added by way of these amendments or additions, such that their entry at this time is warranted.

Claim 37 was objected to because it is allegedly a duplicate of claim 1. Claim 37 has been amended to be different from claim 1. Claim 37 further recites that the system includes a guarantee mechanism that ensures payment for exchange-cleared trades transacted using the trading platform. Accordingly, Applicants respectfully request that this objection be withdrawn.

Claims 1, 5-6, 9-11, and 37 were rejected under 35 U.S.C. § 102(e) as anticipated by U.S. Publication No. 2002/0143693 to Soestbergen et al. ("Soetsbergen") for the reasons noted on pages 3-5 of the Office Action.

Soetsbergen relates to a system and method for the trading of emission reduction credits over the Internet (Paragraph [0013]). The system directly links persons who buy an emission reduction with the system that created the reduction (Paragraph [0014]). Soetsbergen describes an appreciation table that can be used to measure the value of greenhouse gas reductions based on the popular goal (Paragraph [0108]).

Paragraph [0108] of Soestbergen relates to a method for using public opinion to determine the value of greenhouse gas reductions. The method is described as follows. The current parts per million (ppm) of CO₂ in the atmosphere, or temperature is displayed. An account holder expresses a desired global ppm, average earth temperature, and the time frame by which this has to be achieved. The volumetric global positioning system timestamp (VGT), which acts as a virtual box representing the emission or reduction volume for a discreetly defined space on planet earth, of one ton of CO₂ is established based on popular input by averaging

desired ppm, temperature, and time frame of public submissions. This VGT is compared with the current VGT of one ton of CO₂. The difference in volume of the two VGTs is used to establish a rate of appreciation, or upward pressure, on the value of achieving greenhouse gas reductions over the given time period. If the rate of annual reductions is higher than that in the table, the value of a single ton of greenhouse gas reduction in that year decreases. If the rate of annual reductions drops below the table, the value of achieving one ton of greenhouse gas reduction increases.

Independent claims 1 and 37 have been amended to recite that the emission allowance information is based on an emission reduction schedule established for the participant. This feature is neither taught or suggested by Soetsbergen. Soetsbergen merely provides persons or companies wishing to voluntarily offset the emissions produced by their lifestyle or product an opportunity to purchase emission reduction credits (Paragraph [0014]). These persons or companies are not issued emission allowances based on the values in the appreciation table described in Paragraph [0108]. Accordingly, Applicants respectfully request that this rejection under § 102(e) be reconsidered and withdrawn.

Claim 2 was rejected under 35 U.S.C. § 103(a) as obvious over Soestbergen in view of U.S. Publication No. 2002/0111892 to Sharp et al. ("Sharp") for the reasons noted on pages 5-6 of the Office Action.

Sharp relates to a marketplace for freight transportation and the systems necessary to support such a marketplace. The marketplace ensures and guarantees payment to the sellers and may perform collection and invoicing functions.

Like Soetsbergen, Sharp does not teach or suggest emission allowance information based on an emission reduction schedule established for the participant. Sharp is not directed to greenhouse gas markets or emission reductions. Furthermore, as Soetsbergen does not a registry that stores emission allowance and offset holding information based on an emission reduction schedule established for participants, nor does he disclose a trading platform communicatively coupled to the registry for enabling trades of emission allowances and offsets by participants. This platform enables supply and demand to determine the value of the tradable instruments and provides transparent pricing. As Soetsbergen does not disclose such a platform, and since Sharp does not disclose greenhouse gas markets or emissions reductions, it is not seen how the combination of those references can result in the presently claimed invention.

Accordingly, Applicants respectfully request that this rejection under 35 U.S.C. § 103(a) be reconsidered and withdrawn.

Claims 3-4 were rejected under 35 U.S.C. § 103(a) as obvious over Soetsbergen in view of *Acid Rain Program: Allowance Auction and Electronic Allowance Transfer*, June 6, 1996, Federal Register, Vol. 61 No. 110, pages 28,995 -98 ("EPA Notice") for the reasons noted on pages 6-7 of the Office Action.

The EPA Notice describes the government's Acid Rain Program. Under this program, electric utilities must have an allowance for each ton of sulfur dioxide that their generating facilities emit. The EPA holds or sponsors yearly auctions and direct sales of allowances (Page 1). The United States General Accounting Office has recommended that EPA change the design of the auction to a single-price auction (Page 1). Principal emitters of sulfur dioxide are allocated tradable allowances based on their past fuel usage and emissions (Page 2).

In contrast, the present invention relates to a registry for greenhouse gas emissions and includes allowance and offset information based on an emission reduction schedule established for the participants. The EPA Notice relates to sulfur dioxide and does not teach or suggest that the presently claimed registry or emission reduction schedule. Accordingly, the combination of the EPA notice with Soetsbergen does not render the present claims obvious and Applicants respectfully request that this rejection under § 103(a) be reconsidered and withdrawn.

Claim 7 was rejected under 35 U.S.C. § 103(a) as obvious over Soetsbergen in view of U.S. Publication No. 2003/0229572 to Raines et al. ("Raines") for the reasons noted on pages 7-8 of the Office Action.

Raines is directed to a system and method for quantifying residential emissions reductions. The method includes aggregating a plurality of emissions reductions into a tradable commodity (Paragraph [0045]). Raines, however, does not teach or suggest that allowance information is based on an emission reduction schedule. Accordingly, Applicants respectfully request that this rejection under 35 U.S.C. § 103(a) be reconsidered and withdrawn.

Claims 8 and 12 were rejected under 35 U.S.C. § 103(a) as obvious over Soetsbergen in view of U.S. Patent No. 6,115,698 to Tuck et al. ("Tuck") for the reasons noted on pages 8 and 9 of the Office Action.

Tuck provides a common marketplace that allows participants to consummate a transaction for a quantity of electrical energy. The method allows utilities to simultaneously view real-time market prices and energy availabilities and to quickly consummate the best opportunities (Col. 2, lines 6-9). The system allows for the anonymous trading required of a true market (Col. 2, lines 13-15).

Tuck is not directed to the greenhouse gas market or emission reductions. Consequently, Tuck does not teach or suggest emission allowance information that is based on an emission reduction schedule. Accordingly, Applicants respectfully request that this rejection under 35 U.S.C. § 103(a) be reconsidered and withdrawn.

In view of the above, it is respectfully submitted that all current rejections have been overcome and should be withdrawn. Accordingly, the entire application is believed to be in condition for allowance, early notice of which would be appreciated. Should the Examiner not agree, then a personal or telephonic interview is respectfully requested to discuss any remaining issues and expedite the eventual allowance of this application.

Respectfully submitted,

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Date



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